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EXAMINER

PORTER, RACHEL L

ART UNIT

PAPER NUMBER

3626

NOTIFICATION DATE

DELIVERY MODE

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ELECTRONIC

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

IPDOCKET@THOMPSONCOBURN.COM

<b>Office Action Summary</b>	<b>Application No.</b> 09/710,227	<b>Applicant(s)</b> GOURLEY, EWING B.	
	<b>Examiner</b> RACHEL L. PORTER	<b>Art Unit</b> 3626	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 10/30/08.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-23,25,27-30,32-49,62-66 and 68-80 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-23,25,27-30,32-49,62-66,68-80 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |   |   |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)             | 4) <input type="checkbox"/> Interview Summary (PTO-413)                     |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)    | Paper No(s)/Mail Date. _____  |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| Paper No(s)/Mail Date _____   | 6) <input type="checkbox"/> Other: _____                                    |

**DETAILED ACTION**

***Notice to Applicant***

1. In view of the reply brief filed on 10/30/08, PROSECUTION IS HEREBY REOPENED. New grounds of rejection are set forth below.

To avoid abandonment of the application, appellant must exercise one of the following two options:

(1) file a reply under 37 CFR 1.111 (if this Office action is non-final) or a reply under 37 CFR 1.113 (if this Office action is final); or,

(2) initiate a new appeal by filing a notice of appeal under 37 CFR 41.31 followed by an appeal brief under 37 CFR 41.37. The previously paid notice of appeal fee and appeal brief fee can be applied to the new appeal. If, however, the appeal fees set forth in 37 CFR 41.20 have been increased since they were previously paid, then appellant must pay the difference between the increased fees and the amount previously paid.

***Claim Rejections - 35 USC § 101***

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. Claims 1, 16-19, 20-23, 25, 27-29, 62-66, 68, and 76-80 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Based on Supreme Court precedent and recent Federal Circuit decisions, the Office's guidance to examiners is that a §101 process must (1) be tied to a machine

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or apparatus or (2) transform underlying subject matter (such as an article or materials) to a different state or thing. *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780, 787-88 (1876). If neither of these requirements is met by the claim, the method is not a patent eligible process under §101 and should be rejected as being directed to nonstatutory subject matter.

It has also been held that the involvement of the machine-or-transformation should not be nominal: “[T]he involvement of the machine or transformation in the claimed process must not merely be insignificant extra-solution activity.” *In re Bilski*, 88 USPQ2d 1385, 1396 (Fed. Cir. 2008) Nominal recitations of structure in an otherwise ineligible method fail to make the method a statutory process. (See *Gottschalk v. Benson*, 409 U.S. at 71-72.)

Claims 1, 16, 62, and 76 fail to recite the required tie to a machine or apparatus in the method claims. Therefore, claims 1, 16, 62, and 76 are considered to be nonstatutory subject matter. It is noted that claim 62 recites "computer-implemented. However, the suggestion of computer-implementation in the preamble of the claim, without incorporation or recitation of the computer in the body of the claim is considered to be a nominal recitation. As explained above, nominal recitations of structure in an otherwise ineligible method fail to make the method a statutory process. (See *Gottschalk v. Benson*, 409 U.S. at 71-72.)

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Claims 20-23, 25, and 27-29 contain similar deficiencies to claim 1 and fail to correct the deficiencies of claim 1. Therefore, claims 20-23, 25, and 27-29 are also rejected.

Claims 17-19 and 79-80 contain similar deficiencies to claim 16 and fail to correct the deficiencies of claim 16. Therefore, claims 17-19 and 79-80 are also rejected.

Claims 63-66, 68, and 78 contain similar deficiencies to claim 62 and fail to correct the deficiencies of claim 62. Therefore, claims 63-66, 68, and 78 are also rejected.

Claim 77 contains similar deficiencies to claim 76 and fail to correct the deficiencies of claim 76. Therefore, claim 77 is also rejected.

### ***Claim Rejections - 35 USC § 112***

4. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

5. Claims 69 and 75 are rejected under 35 U.S.C. 112, first paragraph, because the specification does not reasonably provide enablement for a claim covering every conceivable means for achieving the recited purpose.

The specification does not enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make or use the invention commensurate in scope with these claims.

In particular, the claim recites “[a] system for determining whether a buyer qualifies for an “own use discount” comprising: a computer configured to perform an “own use” discount audit to determine whether an order qualifies for an “own use” discount.” (A system comprising one component, which performs all functions, i.e. a single means claim.) The current claim does not expressly recite “means for” language. However, in *Fiers v. Revel*, (CAFC) 25 USPQ2d 1601, 1606 (1/19/1993), the CAFC affirmed a rejection under 35 USC 112 of a claim reciting a single element that did not literally use “means-plus-function” language.

Instant claim 69 is drawn to any “computer”, regardless of construct, that performs the function recited. This parallels the fact situation in *Fiers* wherein “a DNA” and a result was recited. The CAFC stated in *Fiers* at 1606 “Claiming all DNA's that achieve a result without defining what means will do so is not in compliance with the description requirement; it is an attempt to preempt the future before it has arrived”. See also *Ex parte Maizel*, (BdPatApp&Int) 27 USPQ2d 1662, 1665 and *Ex parte Kung*, (BdPatApp&Int) 17 USPQ2d 1545, 1547 (1/30/1989) where the claims at issue were rejected for being analogous to single *means* claims even though “means” was not literally used.

The Examiner notes the Applicant's arguments against the comparison of the current claim language that in the *Fiers* case. However, it is respectfully submitted that

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the recitation of a “computer” does not clarify which component(s) are present (i.e. the processor, the memory, input and output, and/or software). In other words, the claim language recites a system “that achieve[s] a result without defining what means will do so...” As such, the rejection of claim 69 is maintained.

A similar analysis may be applied to claim 75.

6. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

7. Claims 37, and 43-44 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 37 currently recites the phrase: “depending upon whether said...comparison results in a sufficient number of matches between said audit data...and said order data.”

The term "sufficient" in claim 37 is a relative term, which renders the claim indefinite. The term "sufficient" is not defined by the claim, the specification does not provide a standard for ascertaining the requisite degree, and one of ordinary skill in the art would not be reasonably apprised of the scope of the invention. For the purpose of applying art, the examiner will interpret this limitation to mean that there is a verification to determine whether quantities consistent with the patients' level of consumption (e.g. prescription) are performed.

A similar analysis may be applied to claims 43-44.

***Claim Rejections - 35 USC § 103***

8. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

9. Claim 1, 9-10, 12-13,15-23,25,27-30,32-37,45-49, 62-66, and 68-80 are rejected under 35 U.S.C. 103(a) as being unpatentable over Colella et al (USPN 6,003,006) in view of Gardner ("Pharmaceutical Scam: Use Audit to Detect 'Pyramid Cube Scheme'")

[claim 1] Colella discloses a method for processing orders for pharmaceuticals, said method comprising the steps of:

- receiving an order comprising a request from a buyer for a quantity of a type of pharmaceutical (Figs. 4, 6; col. 5, lines 33-43), wherein the said buyer includes an entity comprised of at least one retail pharmacy supplying pharmaceuticals to at least one nursing home, said at least one nursing home having at least one patient needing said type of pharmaceutical. (col. 3, line 29-col. 4, line 26; col. 5, lines 33-43; Figure 1A ) (Examiner interprets language to mean only one of the listed options need to be included)
- receiving an associated report summarizing the "own use" pharmaceutical needs of at least one patient who is supplied with pharmaceuticals by said buyer; (col. 4, lines 1-9)



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- comparing said order with said associated report to determine whether said associated report supports the order; and (col. 4, lines 17-44)

Colella teaches a method of processing “own use” prescription orders as disclosed above, but does not expressly disclose making a status determination if the buyer qualifies for discount or not. However, Colella does disclose validation/review steps for verifying the request for pharmaceuticals. (col. 7, 66-col. 8, line 13; col. 8, lines 41-44; Figure 1B—audit)

Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly utilize “own use” pharmaceutical discounts. (pg. 74, par. 4) At the time of the Applicant’s invention, it would have been obvious to one of ordinary skill in the art to modify to method/ system of Colella to check or verify whether or not purchased pharmaceuticals qualify for “own use” discounts. As suggested by Gardner, one would have been motivated to include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

[claim 9] Colella discloses the method of claim 1 further comprising the step of entering said order as data into a computer. (col. 5, lines 33-43; Fig. 4, 6)

[claim 10] Colella teaches the method of claim 9 wherein the step of receiving said associated report further comprises receiving said report as at least one computer file (i.e. in computer readable format), and wherein the comparison step is performed by a software program executed (col. 3, lines 29-39) on said computer (col. 4, lines 1-9; 17-44; 48-51)

[claim 12] Colella teaches the method of claim 9 further comprising the step of entering said associated report as data into said computer, (col. 4, lines 1-9), and wherein the comparison step is performed by a software program executed (col. 3, lines 29-39) on said computer (col. 4, lines 1-9; 17-44; 48-51)

[claim 13] Colella discloses the method of claim 9 further comprising the steps of:

- receiving a second associated report summarizing the "own use" pharmaceutical needs of at least one patient who is supplied with pharmaceuticals by said buyer, said second associated report being received as at least one computer file; and (col. 4, lines 1-9; 17-44; 48-51; col.7, lines 55-61; col. 8, lines 41-67 )
- comparing said second associated report with said order or with said associated report using a computer; and (col. 4, lines 17-44)
- wherein the determination step further depends upon whether said second associated report supports said order. (col.7, lines 55-61; col. 8, lines 41-67)

Colella teaches a method of processing "own use" prescription orders as disclosed above, but does not expressly disclose making a status determination if the buyer qualifies for an own use discount or not. However, Colella does disclose validation/review steps for verifying the request for pharmaceuticals. (col. 7, 66-col. 8, line 13; col. 8, lines 41-44; Figure 1B—audit)

Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly utilize "own use" pharmaceutical discounts. (pg. 74,

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par. 4) At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify to method/ system of Colella to check or verify whether or not purchased pharmaceuticals qualify for "own use" discounts. As suggested by Gardner, one would have been motivated to include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

[claim 15] Colella discloses the method of claim 9 further comprising the steps of:

- receiving a second associated report summarizing the "own use" pharmaceutical needs of at least one patient who is supplied with pharmaceuticals by said buyer; (col. 4, lines 1-9; col. 8, lines 41-67)
- entering said second associated report as data into said computer; and (col. 4, lines 1-9)
- comparing said second associated report with said order using a computer; (col. 4, lines 17-44; col. 8, lines 41-67) and
- wherein the determination step further depends upon whether said second associated report supports said order. (col.7, lines 55-61; col. 8, lines 41-67)

Colella teaches a method of processing "own use" prescription orders as disclosed above, but does not expressly disclose making a status determination if the buyer qualifies for an own use discount or not. However, Colella does disclose validation/review steps for verifying the request for pharmaceuticals. (col. 7, 66-col. 8, line 13; col. 8, lines 41-44; Figure 1B—audit)

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Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly utilize "own use" pharmaceutical discounts. (pg. 74, par. 4) At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify to method/ system of Colella to check or verify whether or not purchased pharmaceuticals qualify for "own use" discounts. As suggested by Gardner, one would have been motivated to include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

[claim 16] Colella discloses a method for processing orders for pharmaceuticals further comprising the steps of:

- receiving an order comprising a request from a buyer for a quantity of a type of pharmaceutical (Figs. 4, 6; col. 5, lines 33-43),
- receiving a first associated report summarizing the "own use" pharmaceutical needs of at least one patient who is supplied with pharmaceuticals by said buyer; (col. 4, lines 1-9)
- receiving a second associated report summarizing the "own use" pharmaceutical needs of at least one patient who is supplied with pharmaceuticals by said buyer; and (col. 4, lines 1-9; col. 8, lines 41-67)
- analyzing said first associated report and said second associated report to determine an extent to which they support said order; and (col. 4, lines 17-44; col. 6, lines 65-col. 7, line 32; col. 8, lines 41-44)

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Colella teaches a method of processing “own use” prescription orders as disclosed above, but does not expressly disclose making a status determination of whether the buyer qualifies for an “own use” discount or not. However, Colella does disclose validation/review steps for verifying the request for pharmaceuticals. (col. 7, 66-col. 8, line 13; col. 8, lines 41-44; Figure 1B—audit)

Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly utilize “own use” pharmaceutical discounts. (pg. 74, par. 4) At the time of the Applicant’s invention, it would have been obvious to one of ordinary skill in the art to modify to method/ system of Colella to check or verify whether or not purchased pharmaceuticals qualify for “own use” discounts. As suggested by Gardner, one would have been motivated to include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

[claim 17] Colella discloses a method of claim 16 further comprising the step of placing said order with a pharmaceutical seller based upon certain criteria (col. 5, lines 33-43; col. 6, line 65-col. 7, line 20; col. 8, lines 59-67), but does not disclose applying an own use discount in response to said status determination identifying the buyer as qualified for said “own use” discount. Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly receive “own use” pharmaceutical discounts on drug orders. (pg. 74, par. 2,4) At the time of the Applicant’s invention, it would have been obvious to one of ordinary skill in the art to

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modify to method/ system of Colella to verify qualifications for pharmaceutical "own use" discounts and to apply the discount accordingly. As suggested by Gardner, one would have been motivated to include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

[claim 18] Colella discloses a method further comprising the step of sending either said first associated report or said second associated report to said pharmaceutical seller. (col. 4, lines 1-9; col. 5, lines 33-43)

[claim 19] Colella discloses a method further comprising the step of allowing said pharmaceutical seller to have access to either said first associated report or said second associated report. (col. 4, lines 1-9; col. 5, lines 33-43)

[claim 20] Colella discloses a method further comprising the step of placing said order with a pharmaceutical seller based upon certain criteria (col. 5, lines 33-43; col. 6, line 65-col. 7, line 20; col. 8, lines 59-67), but does not disclose applying an own use discount in response to said status determination identifying the buyer as qualified for said "own use" discount. Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly receive "own use" pharmaceutical discounts on drug orders. (pg. 74, par. 4) At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify to method/ system of Colella to verify qualifications for pharmaceutical "own use" discounts and to apply

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the discount accordingly. As suggested by Gardner, one would have been motivated to include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

[claim 21] Colella discloses the method of claim 20 further comprising the step of sending said associated report to said pharmaceutical seller. (col. 4, lines 1-9; col. 5, lines 33-43)

[claim 22] Colella discloses the method of claim 20 further comprising the step of allowing said pharmaceutical seller to have access to said associated report. (col. 4, lines 1-9; col. 5, lines 33-43)

[claim 23] Colella discloses a method further comprising the steps of generating a status report and sending said status report to said pharmaceutical seller. (col. 4, lines 1-9; col. 5, lines 33-43; col. 7, lines 55-61)

[claim 25] Colella discloses the method of claim 20 further comprising the step of arranging for said pharmaceutical seller to directly ship an appropriate quantity of said type of pharmaceutical directly (col. 5, lines 33-43; col. 8, line 59-67) to one of an entity comprised of at least one retail pharmacy supplying pharmaceuticals to at least one nursing home, said at least one nursing home having at least one patient needing said type of pharmaceutical; or at least one nursing home having at least one patient needing said type of pharmaceutical. (col. 3, line 29-col. 4, line 26; Figure 1A )

[claim 27] Colella discloses the method of claim 1 further comprising the step of

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generating a status report. (col. 7, lines 55-61)

[claim 28] Colella and Gardner teach the method of claim 1 as explained in the rejection of claim 1. Colella further discloses a method comprising adjusting the order so that the order is supported by said associated report, in response to a comparison resulting in the determination status order was not previously acceptable (col. 6, line 65-col. 7, line 28; col. 8, lines 59-67). The order amount is reduced/deducted if it is not compliant with order standards so that the order can go through.

[claim 29] Colella discloses the method of claim 28 wherein the step of adjusting said order comprises calculating a stand by requirement for said buyer. (col. 6, line 65-col. 7, line 28; col. 8, lines 59-67).

[claim 30] Colella discloses a pharmaceutical order auditing system, said pharmaceutical order auditing system comprising:

- a first input for receiving pharmaceutical order data, said order data comprising a type of pharmaceutical, a quantity of said type of pharmaceutical, and a buyer requesting said quantity of said type of pharmaceutical; (Figure 1; col. 3, lines 29-67; col. 4, lines 8-26; col. 5, lines 33-43)
- a second input for receiving audit data (i.e. receiving an associated report summarizing the "own use" pharmaceutical needs of at least one patient who is supplied with pharmaceuticals by said buyer (Figure 1B; col. 4, lines 1-9))



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- a processor (Figure 1A; col. 3, lines 29-60; col. 4, lines 4, lines 45-54)
- software that is executed on said processor (col. 3, lines 29-39) configured to compare said order data with said audit data (i.e. comparing said order with said associated report; and (col. 4, lines 1-9; 17-44; 48-51)
- an output for communicating a status determination to a user. (Figs. 1, 4-6; col. 6, lines 31-34, e.g. screen; interfaces; col. 7, lines 55-61—printer)

Colella teaches a system of processing prescription orders as disclosed above, but does not expressly disclose making a status determination if the buyer qualifies for discount or not (i.e. if the user is one of the qualified categories of buyers). However, Colella does disclose validation/review steps for verifying the request for pharmaceuticals. (col. 7, 66-col. 8, line 13; col. 8, lines 41-44; Figure 1B—audit)

Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly utilize “own use” pharmaceutical discounts. (pg. 74, par. 2, bullet 6 and par. 4) At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify to method/ system of Colella to check or verify whether or not purchased pharmaceuticals qualify for “own use” discounts and to apply a discount accordingly. As suggested by Gardner, one would have been motivated to include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

[claim 32] Colella discloses the pharmaceutical order auditing system of claim 30 wherein said audit data is gathered from a medication administration record for each of

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said patients in the at least one nursing home (Figure 1;col. 4, lines 1-26)

[claim 33] Colella discloses a pharmaceutical order auditing system including a plurality of input devices (e.g. a third input device) for receiving additional audit data. (col. 3, lines 29-67) (e.g. receiving associated report summarizing the "own use" pharmaceutical needs of at least one patient who is supplied with pharmaceuticals by said buyer--col. 4, lines 1-9; col. 8, lines 41-67) and wherein the determination step further depends upon the additional audit information (i.e. associated report supports said order) (col.7, lines 55-61; col. 8, lines 41-67)

However, Colella does not expressly disclose determining whether if the buyer qualifies for an "own use" discount or not. However, Colella does disclose validation/review steps for verifying the request for pharmaceuticals. (col. 7, 66-col. 8, line 13; col. 8, lines 41-44; Figure 1B—audit)

Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly utilize "own use" pharmaceutical discounts. (pg. 74, par. 4) At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify to method/ system of Colella to check or verify whether or not purchased pharmaceuticals qualify for "own use" discounts. As suggested by Gardner, one would have been motivated to include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

[claim 34 ] Colella discloses the pharmaceutical order auditing system of claim 33

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wherein said additional audit data is gathered from a report summarizing the "own use" pharmaceutical needs of at least one patient who is supplied with pharmaceuticals by said buyer. (col. 4, lines 1-9; col. 8, lines 41-67 --i.e. a physicians order sheet for each of said patients or medication administration record for each of said patients)

[claim 35] Colella discloses the pharmaceutical order auditing system of claim 30 wherein said audit data comprises a type of pharmaceutical, an amount of said type of pharmaceutical requested by each of said retail pharmacies (col. 4, lines 1-26; col. 4, lines 33-43; col. 6, lines 65-col. 7, lines 20) and each of said nursing homes requesting each of said amounts from each of said retail pharmacies (col. 5, lines 33-56). Colella further discloses a system wherein compare said order data with said audit data (i.e. comparing said order with said associated report; and (col. 4, lines 17-44)

However, Colella does not expressly disclose making a status determination if the buyer qualifies for the "own use" discount or not. However, Colella does disclose validation/review steps for verifying the request for pharmaceuticals. (col. 7, 66-col. 8, line 13; col. 8, lines 41-44; Figure 1B—audit)

Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly utilize "own use" pharmaceutical discounts. (pg. 74, par. 4) At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify to method/ system of Colella to check or verify whether or not purchased pharmaceuticals qualify for "own use" discounts and to apply a discount accordingly. As suggested by Gardner, one would have been motivated to

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include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

[claim 36] Colella discloses the pharmaceutical order auditing system of claim 35 including a plurality of input devices (e.g. a third input device) for receiving additional audit data. (col. 3, lines 29-67) (e.g. receiving associated report summarizing the "own use" pharmaceutical needs of at least one patient who is supplied with pharmaceuticals by said buyer--col. 4, lines 1-9; col. 8, lines 41-67) and wherein the determination step further depends upon the additional audit information (i.e. associated report supports said order) (col.7, lines 55-61; col. 8, lines 41-67)

However, Colella does not expressly disclose determining whether if the buyer qualifies for an "own use" discount or not. However, Colella does disclose validation/review steps for verifying the request for pharmaceuticals. (col. 7, 66-col. 8, line 13; col. 8, lines 41-44; Figure 1B—audit)

Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly utilize "own use" pharmaceutical discounts. (pg. 74, par. 4) At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify to method/ system of Colella to check or verify whether or not purchased pharmaceuticals qualify for "own use" discounts. As suggested by Gardner, one would have been motivated to include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

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[claim 37] Colella discloses a system wherein order data further comprises a plurality of identifiers for each of said patients needing said quantity of said type of pharmaceutical, (col. 4, lines 1-26--e.g. variety, quantity, delivered to each patient—associated with each ddm location; col. 5, lines 33-43) and wherein said audit data further comprises each of said patients in each of said nursing homes needing each of said amounts of said type of pharmaceuticals. (Figure 1B; col. 4, lines 3-9)

Colella further discloses a method/system wherein the software is further configured to compare said patient identifiers in said additional audit data with patient data/identifiers in order data(col. 4, lines 5-26), said status determination further depending upon whether said patient identifier comparison results in a sufficient number of matches between said audit data patient identifiers and said order data patient identifiers. (i.e. verification to determine whether quantities are consistent with the patients' level of consumption (e.g. prescription) are performed—col. 6, lines 65-col. 7, lines 27; col. 8, lines 41-65)

[claim 45] Colella discloses the pharmaceutical order auditing system of claim 30 wherein said output is communicated to said user as a status report. (col. 7, lines 55-61)

[claim 46] Colella discloses the pharmaceutical order auditing system of claim 30 including a plurality of input devices (e.g. a third input device) for receiving additional audit data. (col. 3, lines 29-67) (e.g. receiving associated report summarizing the "own use" pharmaceutical needs of at least one patient who is supplied with pharmaceuticals

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by said buyer--col. 4, lines 1-9; col. 8, lines 41-67) and wherein the determination step further depends upon the additional audit information (i.e. associated report supports said order) (col.7, lines 55-61; col. 8, lines 41-67)

However, Colella does not expressly disclose determining whether if the buyer qualifies for an “own use” discount or not. However, Colella does disclose validation/review steps for verifying the request for pharmaceuticals. (col. 7, 66-col. 8, line 13; col. 8, lines 41-44; Figure 1B—audit)

Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly utilize “own use” pharmaceutical discounts. (pg. 74, par. 4) At the time of the Applicant’s invention, it would have been obvious to one of ordinary skill in the art to modify to method/ system of Colella to check or verify whether or not purchased pharmaceuticals qualify for “own use” discounts. As suggested by Gardner, one would have been motivated to include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

[claim 47] Colella discloses the pharmaceutical order auditing system of claim 30 wherein said software is further configured to allow for a tolerance in making said status determination. (col. 7, lines 55-61; col. 9, lines 9-53—e.g. optional override features in the reporting and review functions)

[claim 48] Colella discloses a system wherein the software may adjust the order so that there is a sufficient match between the adjusted order and the audit data and the

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requirements in a status determination can be met. (col. 6, line 65-col. 7, line 28; col. 8, lines 59-67). The order amount is reduced/deducted if it is not compliant with order standards so that the order can go through.

[claim 49] Colella discloses the pharmaceutical order auditing system of claim 48 wherein said software is configured to calculate a stand by requirement for said buyer if said order needs adjustment. (col. 6, line 65-col. 7, line 28; col. 8, lines 59-67).

[claim 62] Colella discloses a computer-implemented method for processing orders for pharmaceuticals, said method comprising the steps of:

- receiving an order comprising a request from a buyer for a quantity of a type of pharmaceutical; (Figs. 4, 6; col. 5, lines 33-43) wherein the said buyer includes an entity comprised of at least one retail pharmacy supplying pharmaceuticals to at least one nursing home, said at least one nursing home having at least one patient needing said type of pharmaceutical. (col. 3, line 29-col. 4, line 26; col. 5, lines 33-43; Figure 1A ) (Examiner interprets language to mean only one of the listed options need to be included)
- receiving information summarizing the "own use" pharmaceutical needs of at least one patient who is supplied with pharmaceuticals by said buyer; (col. 4, lines 1-9)
- comparing said order with said information; and (col. 4, lines 17-44)

Colella teaches a method of processing "own use" prescription orders as disclosed above, but does not expressly disclose making a status determination if the buyer

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qualifies for discount or not. However, Colella does disclose validation/review steps for verifying the request for pharmaceuticals. (col. 7, 66-col. 8, line 13; col. 8, lines 41-44; Figure 1B—audit)

Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly utilize “own use” pharmaceutical discounts. (pg. 74, par. 4) At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify to method/ system of Colella to check or verify whether or not purchased pharmaceuticals qualify for “own use” discounts. As suggested by Gardner, one would have been motivated to include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

[claims 63-64] Colella discloses the pharmaceutical order auditing method wherein said information comprises information from at least one of a physicians order sheet or medication administration record. (col. 4, lines 1-9; col. 8, lines 41-67; Figures 5-6))

[claim 65] Colella discloses a method wherein said buyer comprises at least one retail pharmacy (Figure 1A; col. 3, line 29-col. 4, line 26; col. 5, lines 33-43)

[claim 66] Colella teaches a method wherein said buyer comprises said entity. (Figure 1A ; col. 3, line 29-col. 4, line 26; col. 5, lines 33-43)

[claim 68] Colella and Gardner teach the method of claim 63 as explained in the



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rejection of claim 63. Furthermore, Colella discloses a method further comprising adjusting the order to an appropriate sub quantity if so that the requirements in a status determination can be met. (col. 6, line 65-col. 7, line 28; col. 8, lines 59-67). The order amount is reduced/deducted if it is not compliant with order standards so that the order can go through.

[claim 69] Colella discloses a pharmaceutical order auditing system, said pharmaceutical order auditing system comprising:

- a computer for receiving and processing data related to a pharmaceutical order; (Figure 1; col. 3, lines 29-67; col. 4, lines 8-26; col. 5, lines 33-43), said audit being based upon at least two types of audit data that are compared to said order performing comparisons between orders and related data; (Figure 1B; col. 4, lines 17-44—e.g. type and quantity take by patients )

Colella teaches a method of processing “own use” prescription orders as disclosed above, but does not expressly disclose making a status determination if the buyer qualifies for an “own use” discount or not. However, Colella does disclose validation/review steps for verifying the request for pharmaceuticals. (col. 7, line 66-col. 8, line 13; col. 8, lines 41-44; Figure 1B—audit)

Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly utilize “own use” pharmaceutical discounts. (pg. 74, par. 4) At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify to method/ system of Colella to check or verify whether

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or not purchased pharmaceuticals qualify for “own use” discounts and to apply a discount accordingly. As suggested by Gardner, one would have been motivated to include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

[claim 70,74] Colella discloses a system further comprising:

- a second computer in communication with said computer via a network, said second computer being configured to provide said computer with information that summarizes at least one "own use" pharmaceutical need of at least one patient who is supplied with pharmaceuticals by the buyer, (Figures 1A-1B; col. 3, line 9- col. 4, lines 26) and
- wherein the computer is further configured to perform an audit by comparing said order with said information ( i.e. performing comparisons between orders and related data; Figure 1B; col. 4, lines 17-44))

Colella teaches a method of processing prescription orders as disclosed above, but does not expressly disclose making a status determination if the buyer qualifies for an “own use” discount or not. However, Colella does disclose validation/review steps for verifying the request for pharmaceuticals. (col. 7, line 66-col. 8, line 13; col. 8, lines 41-44; Figure 1B—audit)

Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly utilize “own use” pharmaceutical discounts. (pg. 74, par. 4) At the time of the Applicant’s invention, it would have been obvious to one of

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ordinary skill in the art to modify to method/ system of Colella to check or verify whether or not purchased pharmaceuticals qualify for “own use” discounts and to apply a discount accordingly. As suggested by Gardner, one would have been motivated to include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

Claim 70 further recites that the second computer is configured to provide said (first) computer with a retail pharmacy listing. Colella and Gardner in combination disclose a computerized auditing process as explained do not expressly disclose providing retail pharmacy listing. However, Gardner does disclose that an important audit check to consider to when validating the application of “own use” discounts is having background information practices of pharmacies (e.g. accounting practices, hiring practices, inventory data, etc) (page 74, par. 4) At the time of the Applicant’s invention, it would have been obvious to one ordinary skill in the art to modify the system/method of Colella in combination to provide a retail pharmacy listing. One would have been motivated to include this feature to avoid the legal consequences and ramifications of improper or illegal transactions under the applicable statutes and codes, as suggested by Gardner. (page 74, par. 2)

[claim 71] Colella teaches a system wherein the nursing home information comprises information from a physician order sheet (POS) corresponding to said at least one patient or information from a medication administration record (MAR) corresponding to said at least one patient. (col. 4, lines 1-9; col. 8, lines 41-67; Figures 5-6)

[claim 72] Colella discloses a system wherein the buyer is at least one retail pharmacy that supplies pharmaceuticals to at least one hospital, nursing home, or long term health care facility, or at least one hospital; at least one nursing home; or at least one long term health care facility. (Figure 1A; col. 3, line 29-col. 4, line 26; col. 5, lines 33-43)

[claim 73] Colella discloses a system wherein the computer is further configured to adjust the order to an appropriate sub quantity in response to the status determinations so that the requirements in a status determination can be met. (col. 6, line 65-col. 7, line 28; col. 8, lines 59-67). The order amount is reduced/deducted if it is not compliant with order standards so that the order can go through.

[claim 75] The limitations of claim 75 are substantially similar to claims 69 and 73. As such, claim 75 is rejected for the reasons provided in the rejections of claim 69 and 73, and incorporated herein.

[claim 76] The limitations of claim 76 are addressed by the rejection of claims 1 and 28, and incorporated herein.

[claim 77] Colella discloses calculating a stand by requirement for a buyer for a pharmaceutical order. (col. 7, lines 7-11—e.g. adjusting order for holdover quantity)

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[claim 78] Colella discloses the pharmaceutical order auditing method of claim 62 wherein said data is gathered from a report summarizing the "own use" pharmaceutical needs of at least one patient who is supplied with pharmaceuticals by said buyer or a physicians order sheet for each of said patients or medication administration record for each of said patients. (col. 4, lines 1-9; col. 8, lines 41-67)

[claims 79-80] Colella discloses the pharmaceutical order auditing method of claim 16 wherein said second associated report is gathered from a nursing home or hospital summarizing the "own use" pharmaceutical needs of at least one patient (including a physicians order sheet for each of said patients or medication administration record for each of said patients) (col. 4, lines 1-9; col. 8, lines 41-67)

10. Claims 2-8,11,14, and 38-44 are rejected under 35 U.S.C. 103(a) as being unpatentable over Colella et al (USPN 6,003,006) and Gardner ("Pharmaceutical Scam: Use Audit to Detect 'Pyramid Cube Scheme'") as applied to claims 1 and 30, and in further view of Spurgeon (5,890,129)

[claim 2] Colella teaches method wherein order data may be transmitted over a network (Colella: col. 5, lines 33-43; Fig. 4, 6), but does not expressly disclose that the network includes the Internet. Spurgeon discloses a method wherein medical data is transmitted over a plurality of networks including the Internet. (Figure 1; col. 5, lines 56-65) At the time of the Applicant's invention, it would have been obvious to one of

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ordinary skill in the art to modify the method of Colella and Gardner in combination to transmit information over the Internet. One would have been motivated to include this feature to facilitate the exchange of clinical and business information among users with within an existing environment of disparate hardware and software systems, as suggested by Spurgeon. (col. 3, lines 1-5)

[claim 3] Colella discloses a method wherein the step of receiving said associated report further comprises receiving said report as at least one computer file ( i.e. in computer readable format), and wherein the comparison step is performed by a software program executed (col. 3, lines 29-39) on said computer (col. 4, lines 1-9; 17-44; 48-51)

[claim 4] Colella and Gardner in combination disclose the method of claim 3, as explained in the rejection of claim 3, but do not expressly disclose a step of converting a file format to be readable by a given software program. Spurgeon discloses a system comprising a translator that automatically translates/converts data files so that they are compliant with destination storage formats and programs. (col. 7, lines 8-21) At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to further modify the system/method of Colella and Gardner in combination with the teaching of Spurgeon to include a formation conversion feature. As suggested by Spurgeon, one would have been motivated to include this feature to minimize programming costs while facilitating the exchange of information. (col. 7, lines 22-26)

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[claim 5] Colella teaches a method further comprising the step of entering said associated report as data into said computer (col. 4, lines 1-9) and wherein the comparison step is performed by a software program executed (col. 3, lines 29-39) on said computer (col. 4, lines 1-9; 17-44; 48-51)

[claim 6] Colella discloses the method of claim 2 further comprising the steps of:

- receiving a second associated report summarizing the "own use" pharmaceutical needs of at least one patient who is supplied with pharmaceuticals by said buyer, said second associated report being received as at least one computer file; and (col. 4, lines 1-9; 17-44; 48-51; col.7, lines 55-61; col. 8, lines 41-67 )
- comparing said second associated report with said order or with said associated report using a computer; and (col. 4, lines 17-44)
- wherein the determination step further depends upon whether said second associated report supports said order. (col.7, lines 55-61; col. 8, lines 41-67)

Colella teaches a method of processing "own use" prescription orders as disclosed above, but does not expressly disclose making a status determination if the buyer qualifies for discount or not. However, Colella does disclose validation/review steps for verifying the request for pharmaceuticals. (col. 7, 66-col. 8, line 13; col. 8, lines 41-44; Figure 1B—audit)

Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly utilize "own use" pharmaceutical discounts. (pg. 74, par. 4) At the time of the Applicant's invention, it would have been obvious to one of

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ordinary skill in the art to modify to method/ system of Colella to check or verify whether or not purchased pharmaceuticals qualify for "own use" discounts. As suggested by Gardner, one would have been motivated to include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

[claim 7] Colella and Gardner in combination disclose the method of claim 6, wherein the comparing step between the said second associated report and said order is performed by a software program (col. 3, lines 29-39) executed on said computer. (col. 4, lines 1-9; 17-44; 48-51). However, Colella and Gardner do not expressly disclose a step of converting a file format to be readable by a given software program.

Spurgeon discloses a system comprising a translator that automatically translates/converts data files so that they are compliant with destination storage formats and programs. (col. 7, lines 8-21) At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to further modify the system/method of Colella and Gardner in combination with the teaching of Spurgeon to include a formation conversion feature. As suggested by Spurgeon, one would have been motivated to include this feature to minimize programming costs while facilitating the exchange of information. (col. 7, lines 22-26)

[claim 8] Colella discloses the method of claim 2 further comprising the steps of:

- receiving a second associated report summarizing the "own use" pharmaceutical needs of at least one patient who is supplied with pharmaceuticals by said buyer;



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(col. 4, lines 1-9; col. 8, lines 41-67)

- entering said second associated report as data into said computer; and (col. 4, lines 1-9)
- comparing said second associated report with said order or with said associated report using a computer; and (col. 4, lines 17-44)
- wherein the determination step further depends upon whether said second associated report supports said order. (col.7, lines 55-61; col. 8, lines 41-67)

Colella teaches a method of processing “own use” prescription orders as disclosed above, but does not expressly disclose making a status determination if the buyer qualifies for discount or not. However, Colella does disclose validation/review steps for verifying the request for pharmaceuticals. (col. 7, 66-col. 8, line 13; col. 8, lines 41-44; Figure 1B—audit)

Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly utilize “own use” pharmaceutical discounts. (pg. 74, par. 4) At the time of the Applicant’s invention, it would have been obvious to one of ordinary skill in the art to modify to method/ system of Colella to check or verify whether or not purchased pharmaceuticals qualify for “own use” discounts. As suggested by Gardner, one would have been motivated to include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

[claim 11] Colella and Gardner disclose the method of claim 10, as explained in the method of claim 10. However, Colella and Gardner do not expressly disclose a step of

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converting a file format to be readable by a given software program. Spurgeon discloses a system comprising a translator that automatically translates/converts data files so that they are compliant with destination storage formats and programs. (col. 7, lines 8-21) At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to further modify the system/method of Colella and Gardner in combination with the teaching of Spurgeon to include a formation conversion feature. As suggested by Spurgeon, one would have been motivated to include this feature to minimize programming costs while facilitating the exchange of information. (col. 7, lines 22-26)

[claim 14] Colella and Gardner in combination disclose the method of claim 13, wherein the comparing step between the said second associated report and said order is performed by a software program (col. 3, lines 29-39) executed on said computer. (col. 4, lines 1-9; 17-44; 48-51). However, Colella and Gardner do not expressly disclose a step of converting a file format to be readable by a given software program. Spurgeon discloses a system comprising a translator that automatically translates/converts data files so that they are compliant with destination storage formats and programs. (col. 7, lines 8-21) At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to further modify the system/method of Colella and Gardner in combination with the teaching of Spurgeon to include a formation conversion feature. As suggested by Spurgeon, one would have been motivated to include this feature to minimize programming costs while facilitating the exchange of information. (col. 7, lines 22-26)

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[claim 38] Colella and Gardner in combination teach the pharmaceutical order auditing system substantially as recited in claim 35 as explained in the rejection of claim 35. Colella further discloses that the information transmitted in the system may be in one of several formats (col. 4, lines 48-51). However, Colella and Gardner do not expressly disclose a system further comprising a converter configured to convert (audit) data to a common format. Spurgeon discloses a system further comprising a translator/converter which translates/converts data from different sources into a common format (col. 6, line 56-60; col. 7, lines 8-16). At the time of the applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the system of Colella and Gardner in combination to include a converter or translator to convert data to a specific format. As suggested by Spurgeon, one would have been motivated to include this feature to accommodate data from a plurality of sources, while still permitting each data provider to use the proprietary system of their choice (col. 4, lines 56-64)

[claim 39] Colella discloses a system wherein said audit data further comprises medication administration records for each of said patients in each of said nursing homes. (Figure 1B; col. 4, lines 3-9)

[claim 40] Colella discloses the pharmaceutical order auditing system of claim 38 including a plurality of input devices (e.g. a third input device) for receiving additional audit data. (col. 3, lines 29-67) (e.g. receiving associated report summarizing the "own use" pharmaceutical needs of at least one patient who is supplied with pharmaceuticals by said buyer--col. 4, lines 1-9; col. 8, lines 41-67) and wherein the determination step

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further depends upon the additional audit information (i.e. associated report supports said order) (col.7, lines 55-61; col. 8, lines 41-67)

However, Colella does not expressly disclose determining whether if the buyer qualifies for an “own use” discount or not. However, Colella does disclose validation/review steps for verifying the request for pharmaceuticals. (col. 7, 66-col. 8, line 13; col. 8, lines 41-44; Figure 1B—audit)

Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly utilize “own use” pharmaceutical discounts. (pg. 74, par. 4) At the time of the Applicant’s invention, it would have been obvious to one of ordinary skill in the art to modify to method/ system of Colella to check or verify whether or not purchased pharmaceuticals qualify for “own use” discounts. As suggested by Gardner, one would have been motivated to include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

[claim 41] Colella discloses the pharmaceutical order auditing system of claim 40 wherein said additional audit data is gathered from a report summarizing the “own use” pharmaceutical needs of at least one patient who is supplied with pharmaceuticals by said buyer. (col. 4, lines 1-9; col. 8, lines 41-67 --i.e. a physicians order sheet for each of said patients or medication administration record for each of said patients)

[claim 42] Colella and Gardner in combination teach the pharmaceutical order auditing system substantially as recited in claim 40 as explained in the rejection of claim 40.

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Colella further discloses that the information transmitted in the system may be in one of several formats (col. 4, lines 48-51). However, Colella and Gardner do not expressly disclose a system further comprising a converter configured to convert (audit) data to a common format. Spurgeon discloses a system further comprising a translator/converter which translates/converts data from different sources into a common format (col. 6, line 56-60; col. 7, lines 8-16). At the time of the applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the system of Colella and Gardner in combination to include a converter or translator to convert data to a specific format. As suggested by Spurgeon, one would have been motivated to include this feature to accommodate data from a plurality of sources, while still permitting each data provider to use the proprietary system of their choice (col. 4, lines 56-64)

[claim 43] Colella discloses the system of claim 40 wherein order data further comprises a plurality of identifiers each of said patients needing said quantity of said type of pharmaceutical, (Figure 6; col. 5, lines 33-43), wherein said additional audit data further comprises a plurality of each of said patients in each of said nursing homes needing each of said amounts of said type of pharmaceuticals. (Figure 1B; col. 4, lines 1-26)

Colella also discloses a method/system wherein the software is further configured to compare said patient identifiers in said audit data with patient data in said order (col. 4, lines 5-26), status determination further depending upon whether said patient identifier comparison results in a sufficient number of matches between said audit data patient identifiers and said order data patient identifiers. (i.e. verification to

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determine whether quantities are consistent with the patients' level of consumption (e.g. prescription) are performed—col. 6, lines 65-col. 7, lines 27; col. 8, lines 41-65)

[claim 44] Colella discloses the system of claim 38 wherein order data further comprises a plurality of identifiers for each of said patients needing said quantity of said type of pharmaceutical, (Figure 6; col. 4, lines 5-26) and wherein said audit data further comprises each of said patients in each of said nursing homes needing each of said amounts of said type of pharmaceuticals. (Figure 1B; col. 4, lines 1-26)

Colella also discloses a method/system wherein the software is further configured to compare said patient identifiers in said audit data with patient data in said order (col. 4, lines 5-26), status determination further depending upon whether said patient identifier comparison results in a sufficient number of matches between said audit data patient identifiers and said order data patient identifiers. (i.e. verification to determine whether quantities are consistent with the patients' level of consumption (e.g. prescription) are performed—col. 6, lines 65-col. 7, lines 27; col. 8, lines 41-65)

### ***Response to Arguments***

11. Applicant's arguments filed 5/2/08 have been fully considered but they are not persuasive.

(A) Applicant argues that claim 69 should not be rejected for use of "single means" language, because it does not recite the term "computer" should not be interpreted as a "means plus function" limitation.

As explained in the claim rejection, claim 69 recites “[a] **system** for determining whether a buyer qualifies for an “own use discount” **comprising: a computer** configured to perform an “own use” discount audit to determine whether an order qualifies for an “own use” discount.” (A system comprising one component, which performs all functions, i.e. a single means claim.) The current claim does not expressly recite “means for” language. However, in *Fiers v. Revel*, (CAFC) 25 USPQ2d 1601, 1606 (1/19/1993), the CAFC affirmed a rejection under 35 USC 112 of a claim reciting a single element that did not literally use “means-plus-function” language.

Instant claim 69 is drawn to any “computer”, regardless of construct, that performs the function recited. This parallels the fact situation in *Fiers* wherein “a DNA” and a result was recited. The CAFC stated in *Fiers* at 1606 “Claiming all DNA's that achieve a result without defining what means will do so is not in compliance with the description requirement; it is an attempt to preempt the future before it has arrived”. See also *Ex parte Maizel*, (BdPatApp&Int) 27 USPQ2d 1662, 1665 and *Ex parte Kung*, (BdPatApp&Int) 17 USPQ2d 1545, 1547 (1/30/1989) where the claims at issue were rejected for being analogous to single *means* claims even though “means” was not literally used.

The Examiner notes the Applicant's arguments against the comparison of the current claim language that in the *Fiers* case. However, it is respectfully submitted that the recitation of a “computer” does not clarify which component(s) are present (i.e. the processor, the memory, input and output, and/or software). In other words, the claim

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language recites a system "that achieve[s] a result without defining what means will do so..." As such, the rejection of claim 69, is proper and should be maintained.

(B) Applicant argues that the term "sufficient" is not a relative term that renders claims 37, 43, and 44 indefinite.

In response, the Examiner respectfully disagrees that the Applicants assertion. The determination of whether "sufficient " criteria have been met is vague and subjective.

In particular , the term is not defined by the claim, the specification does not provide a standard for ascertaining the requisite degree, and one of ordinary skill in the art would not be reasonably apprised of the scope of the invention.

Therefore, the rejection of claims 37, and 43-44 under 35 USC 112, 2<sup>nd</sup> is proper and should be maintained.

(C) Applicant argues that the references fail to render obvious the method of claim 1 and render obvious the concept of performing an audit on a pharmaceutical order.

In response the Examiner respectfully disagrees with applicant's interpretation of the prior art. Both the Colella and Gardner disclose performing audit and tracking pharmaceutical orders. Colella discloses the review and ability to adjust a drug purchase order (col. 7, lines 35-54; col. 8, lines 41-67) in a healthcare facility (e.g. hospital; nursing home) (col. 2, lines 44-52) Furthermore, the Gardner reference as a



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whole, discloses “own use” pharmaceutical discounts, and the significance of performing audits (see pg. 74, par. 2, 4 in particular).

As stated in the rejection of claim 1, at the time of the Applicant’s invention, it would have been obvious to one of ordinary skill in the art to modify to method/ system of Colella to check or verify whether or not purchased pharmaceuticals qualify for “own use” discounts. As suggested by Gardner, one would have been motivated to include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

In response to applicant's arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

(D) Applicant argues that the prior art does not render obvious claim 62 because the prior art does not disclose the concept of determining an “own use” discount status for a proposed “own use” purchase.

In response to applicant's arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

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As explained in the rejection of claim 62, Colella teaches a method of processing “own use” prescription orders including receiving and tracking drug information, but does not expressly disclose making a status determination if the buyer qualifies for discount or not. However, Colella does disclose validation/review steps for verifying the request for pharmaceuticals (i.e. a “proposed order”). (col. 7, 66-col. 8, line 13; col. 8, lines 41-44; Figure 1B—audit)

Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly utilize “own use” pharmaceutical discounts. (pg. 74, par. 4) At the time of the Applicant’s invention, it would have been obvious to one of ordinary skill in the art to modify to method/ system of Colella to check or verify whether or not purchased pharmaceuticals qualify for “own use” discounts. As suggested by Gardner, one would have been motivated to include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4).

(E) Applicant argues that the prior art does not disclose the limitations of claim 65 and 66.

In response to applicant's argument that the references fail to show certain features of applicant’s invention, it is noted that the features upon which applicant relies (i.e., distinction between closed pharmacies and retail pharmacies) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

Moreover, any requirements defining how each party may participate is defined by federal regulation and court rulings and is not a function of the claimed invention (see Gardner: page 74, par. 2)

Colella discloses a method wherein said buyer comprises at least one retail pharmacy and wherein said buyer comprises said entity. (Figure 1A; col. 3, line 29-col. 4, line 26; col. 5, lines 33-43).

(F) The Applicant argues that the prior art fails to render obvious the limitations of claim 30.

In response, the Examiner respectfully disagrees with the Applicant's interpretation of the prior art. Colella was relied upon to disclose the hardware and some functionality of a system for processing prescription orders as explained in rejection of claim 30, but does not expressly disclose making a status determination if the buyer qualifies for discount or not (i.e. if the user is one of the qualified categories of buyers). However, Colella does disclose validation/review steps for verifying the request for pharmaceuticals. (col. 7, 66-col. 8, line 13; col. 8, lines 41-44; Figure 1B—audit)

Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly utilize "own use" pharmaceutical discounts. (pg. 74, par. 2, bullet 6 and par. 4) At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify to method/ system of Colella to check or verify whether or not purchased pharmaceuticals qualify for "own use" discounts and

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to apply a discount accordingly. As suggested by Gardner, one would have been motivated to include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

(G) Applicant argues that the Colella and Gardner references do not render obvious the limitations of claim 76. In particular, the prior art fails to disclose determining whether an entity is entitled to an own use discount and adjusting an order based up an evidence report.

Again, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

Colella teaches a method of processing “own use” prescription orders as disclosed above, but does not expressly disclose making a status determination if the buyer qualifies for discount or not. However, Colella does disclose validation/review steps for verifying the request for pharmaceuticals. (col. 7, 66-col. 8, line 13; col. 8, lines 41-44; Figure 1B—audit)

Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly utilize “own use” pharmaceutical discounts. (pg. 74, par. 4) At the time of the Applicant’s invention, it would have been obvious to one of ordinary skill in the art to modify to method/ system of Colella to check or verify whether or not purchased pharmaceuticals qualify for “own use” discounts. As suggested by Gardner, one would have been motivated to include this feature to avoid violation

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federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

Therefore, Colella and Gardner in combination were relied upon to disclose the determination of “own use” eligibility.

Furthermore, Colella discloses a method comprising adjusting the order so that the order is supported by said associated report, in response to a comparison resulting in the determination status order was not previously acceptable (col. 6, line 65-col. 7, line 28; col. 8, lines 59-67). The order amount is reduced/deducted if it is not compliant with order standards so that the order can go through.

(H) Applicant argues that the prior art fails to meet the limitations of claim 75 because it does not disclose adjusting the order to a sub quantity as a part of the auditing process.

In response, Colella teaches a method of processing “own use” prescription orders as disclosed above, but does not expressly disclose making a status determination if the buyer qualifies for discount or not. However, Colella does disclose validation/review steps for verifying the request for pharmaceuticals. (col. 7, 66-col. 8, line 13; col. 8, lines 41-44; Figure 1B—audit)

Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly utilize “own use” pharmaceutical discounts. (pg. 74, par. 4) At the time of the Applicant’s invention, it would have been obvious to one of ordinary skill in the art to modify to method/ system of Colella to check or verify whether or not purchased pharmaceuticals qualify for “own use” discounts. As suggested by

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Gardner, one would have been motivated to include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

Therefore, Colella and Gardner in combination were relied upon to disclose the determination of "own use" eligibility.

Furthermore, Colella discloses a method comprising adjusting the order so that the order is supported by said associated report, in response to a comparison resulting in the determination status order was not previously acceptable (col. 6, line 65-col. 7, line 28; col. 8, lines 59-67). The order amount is reduced/deducted if it is not compliant with order standards so that the order can go through.

It is respectfully submitted that any remaining quantity is a "subquantity" by definition.

(I) Applicant argues that the limitations of claims 28,48,68, and 73 are not rendered are not rendered obvious by the prior art.

In response, the Applicant's arguments regarding claims 28,48,68, and 73 are addressed by the Examiner's arguments regarding claims 75 and 76, and incorporated herein.

(J) Applicant argues that the limitations of claims 29,49, and 77 have not been addressed by the prior art, because the prior art does not disclose calculating a standby requirement.

In response, Colella discloses calculating a stand by requirement for a buyer for a pharmaceutical order. (col. 7, lines 7-11—e.g. adjusting order for holdover quantity).

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Applicant argues that the applied citation from Colella is not same as the applicant's intended "stand by amount".

However, in response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., the purpose and function of the standby quantity) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

(K) Applicant argues that the prior art fails to disclose the limitations of claim 16 and claim 69 because it does not render obvious the use of two reports to assess whether an order eligible for an "own use discount."

In response, Colella discloses the use of multiple reports in the processing, tracking, and ordering of pharmaceuticals as explained in rejection of claim 16. Moreover, Colella discloses that the order goes through an auditing/verification process, but does not expressly disclose making a status determination if the buyer qualifies for discount or not. However, Colella does disclose validation/review steps for verifying the request for pharmaceuticals. (col. 7, 66-col. 8, line 13; col. 8, lines 41-44; Figure 1B—audit)

Gardner discloses a method for detecting fraud and ensuring that purchasing agencies qualify for and properly receive "own use" pharmaceutical discounts on drug orders. (pg. 74, par. 2,4) At the time of the Applicant's invention, it would have been

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obvious to one of ordinary skill in the art to modify to method/ system of Colella to verify qualifications for pharmaceutical "own use" discounts and to apply the discount accordingly. As suggested by Gardner, one would have been motivated to include this feature to avoid violation federal codes/statutes while enjoying legal benefits of cost containment. (page 74, par. 2 and 4)

It is respectfully submitted that the claim language does not clarify or state which documents are used or what information must be provided, only that multiple reports must be provided to validate the order.

### ***Conclusion***

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure:

Nielsen, Richard P., "Public Policy and Price Discrimination in Favor of Nonprofit and against Profit Seeking Organizations," Apr. 1977, The Academy of Management Review, Vol. 2, No. 2 pp. 316-319

Any inquiry concerning this communication or earlier communications from the examiner should be directed to RACHEL L. PORTER whose telephone number is (571)272-6775. The examiner can normally be reached on M-F, 9:30-6:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, (Christopher) Luke Gilligan can be reached on (571) 272-6770. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.



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/R. L. P./  
Examiner, Art Unit 3626

A Supervisory Patent Examiner (SPE) has approved of reopening prosecution by signing below:

/C Luke Gilligan/

Supervisory Patent Examiner, Art Unit 3626.